

State of Misconsin 2005 - 2006 LEGISLATURE

LRB-3695/PI
PJK:lmk:pg

//stays

Son

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

The /p1 was bluesheeted but never submitted. Now Pam would like it to be a /p2 ~ is that ck? Thanks, Jama

ACT to any 700 of a

AN ACT to create 706.25 of the statutes; relating to: the Uniform Real Property

Electronic Recording Act.

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- **Section 1.** 706.25 of the statutes is created to read:
- 4 706.25 Uniform real property electronic recording act. (1) DEFINITIONS.
- 5 In this section:

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- (a) "Document" means information that satisfies all of the following:
- 1. The information is inscribed on a tangible medium or it is stored in an electronic or other medium and is retrievable in perceivable form.
- 9 2. The information is eligible to be recorded in the land records maintained by the register of deeds.

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1	(b) "Electronic" means relating to technology having electrical, digital,
2	magnetic, wireless, optical, electromagnetic, or similar capabilities.
(3)	(c) "Electronic" means a document that is received by the register of deeds in
4	an electronic form.
5	
	an electronic sound, symbol, or process
6	attached to or logically associated with a document and executed or adopted by a
7	person with the intent to sign the document.
8	(e) "Person" means an individual, corporation, business trust, estate, trust,
9	partnership, limited liability company, association, joint venture, public corporation,
10	government, or governmental subdivision, agency, or instrumentality, or any other
11	legal or commercial entity.
12	(f) "State" means a state of the United States, the District of Columbia, Puerto
13	Rico, the United States Virgin Islands, or any territory or insular possession subject
14	to the jurisdiction of the United States.
(15)	(2) VALIDITY OF ELECTRONIC DOCUMENTS. (a) If a law a requires, as a condition
16	
	for recording, that a document be an original, be on paper or another tangible
17	medium, or be in writing, the requirement is satisfied by an electronic document
18	satisfying this section.
19	(b) If a law requires, as a condition for recording, that a document be signed,
20	the requirement is satisfied by an electronic signature.
21	(c) A requirement that a document or a signature associated with a document
22	be notarized, acknowledged, verified, witnessed, or made under oath is satisfied if
23	the electronic signature of the person authorized to perform that act, and all other
24	information required to be included, is attached to or logically associated with the

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1	document or signature. A physical or electronic image of a stamp, impression, or seal
2	need not accompany an electronic signature.
3	(3) RECORDING OF DOCUMENTS. (a) In this subsection, "paper document" means
4	a document that is received by the register of deeds in a form that is not electronic.
5	(b) A register of deeds:
6	1. Who implements any of the functions listed in this subsection shall do so in
7	compliance with standards established by the [Electronic Recording Commission]
8	[name of state agency].
9	2. May receive, index, store, archive, and transmit electronic documents.
10	3. May provide for access to, and for search and retrieval of, documents and
11	information by electronic means.
12	4. Who accepts electronic documents for recording shall continue to accept
13	paper documents as authorized by state law and shall place entries for both types of
14	documents in the same index.
15	5. May convert paper documents accepted for recording into electronic form.
16	6. May convert into electronic form information recorded before the register of
17	deeds began to record electronic documents.
18	7. May accept electronically any fee that the register of deeds is authorized to
19	collect.
20	8. May agree with other officials of a state or a political subdivision thereof, or
21	of the United States, on procedures or processes to facilitate the electronic
22	satisfaction of prior approvals and conditions precedent to recording and the
23	electronic payment of fees.
24	(4) Administration and standards.

[Alternative A]

1	(a) An [Electronic Recording Commission] consisting of [number] members
2	appointed by the governor is created to adopt standards to implement this section.
3	A majority of the members of the [commission] must be registers of deeds.
4	[End of Alternative A]
5	[Alternative B]
6	(a) The [name of state agency] shall adopt standards to implement this section.
7	[End of Alternative B]
8	(b) To keep the standards and practices of registers of deeds in this state in
9	harmony with the standards and practices of recording offices in other jurisdictions
10	that enact substantially this section and to keep the technology used by registers of
11	deeds in this state compatible with technology used by recording offices in other
12	jurisdictions that enact substantially this section, the [Electronic Recording
13	Commission] [name of state agency], so far as is consistent with the purposes,
14	policies, and provisions of this section, in adopting, amending, and repealing
15	standards shall consider all of the following:
16	1. Standards and practices of other jurisdictions.
17	2. The most recent standards promulgated by national standard-setting
18	bodies, such as the Property Records Industry Association.
19	3. The views of interested persons and governmental officials and entities.
20	4. The needs of counties of varying size, population, and resources.
21	(5) Uniformity of application and construction. In applying and construing

this section, consideration must be given to the need to promote uniformity of the law

with respect to its subject matter among states that enact it.

(6) RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT.

(a) Except as provided in par. (b)

This section modifies, limits, and supersedes the federal Electronic Signatures in (25)

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2	Global and National Commerce Act, 15 USC 7001, et seq., but does not modify, limit, or supersede 15 USC 7001 (c) or authorize electronic delivery of any of the notices
3	described in 15 USC 7003 (b).
4	(7) SHORT TITLE. This section may be cited as the Uniform Real Property
5	Electronic Recording Act.
6	(END)

2005–2006 DRAFTING INSERT FROM THE LEGISLATIVE REFERENCE BUREAU

INSERT 3-8

****Note: You must select between the two choices referred to in the subdivision above. See Alternatives A and B in sub. (4) (4)

(END OF INSERT 3-8)

INSERT 4-7

****Note: Do you want to create a commission to adopt standards or should an existing state agency have that responsibility? If you want an existing agency to adopt standards, which agency? Instead of a commission, a committee, which is temporary in nature, might be more appropriate. If you do want to create a commission, do you want it to be independent, created in a department, or attached to a department? If you want it created in or attached to a department, which one?

(END OF INSERT 4-7)

Kahler, Pam

From:

Tuschen, Terry

Sent:

Thursday, January 05, 2006 3:23 PM

To:

Kahler, Pam

Cc:

Tuschen, Terry

Subject:

FW: LRB 3695-P2

Attachments: Comments on Wisconsin URPERA Legislation.doc

Hi Pam, I'm getting caught up after the break and the Register of Deeds folks submitted some suggested modifications to the draft. I told them that I would run it by you for your thoughts and whether or not the changes are consistent with the "uniform" idea and/or your drafting requirements. Let me know what you think and thanks much again.

Terry

Terry Tuschen
Office of State Senator Fred Risser
123 South, State Capitol
Madison, WI 53702
608.266.1627
Terry.Tuschen@legis.state.wi.us

From: Williquette_CA [mailto:Williquette_CA@co.brown.wi.us]

Sent: Thursday, December 15, 2005 3:45 PM

To: Tuschen, Terry Subject: LRB 3695-P2

Terry,

Marvel's comments are attached.

Cathy Williquette Brown County Register of Deeds P.O. Box 23600 Green Bay, WI 54305-3600 920.448.4469 Voice 920.448.4449 Fax williquette_ca@co.brown.wi.us Ceff of forward

Page 3, Line 20 - delete (h) insert "(h) May agree.....

Comments on Wisconsin URPERA Legislation Page 1, Line 6 - delete "satisfies all of the following", insert "is" Page 1, Line 7 - delete "The information is" Page 1, Line 8 - insert "; and" at the end of the line Page 1, Line 9 - delete "The information is" Page 2, Line 3 – insert "document" after Electronic -Page 2, Between Line 7 and Line 8 - NEW "Paper Document" means a document that is received by the register of deeds in a form that is not electronic Page 3, Lines 3 & 4 - delete entire current subsection (a); insert "definition" after Recording of **Documents** Page 3, Line 5 – delete (b) insert "A County Register of Deeds" Page 3, Line 6 – delete (1) insert "(a) Who Page 3, Line 9 – delete (2) insert "(b) May receive Page 3, Line 10 – delete (3) insert "(c) May provide.... Page 3, Line 12 - delete (4) insert "(d) Who accepts 1-50-197 Page 3, Line 15 – delete (5) insert "(e) May convert.... Page 3, Line 16 – delete (6) insert "(f) May convert Page 3, Line 18 - delete (h) insert "(g) May accept....

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Page 4, Line 1 - insert

A. AN ELECTRONIC RECORDING COMMISSION IS ESTABLISHED CONSISTING OF SEVEN MEMBERS WHO ARE APPOINTED BY THE GOVERNOR. THE MEMBERSHIP SHALL CONSIST OF:

- 1. FOUR MEMBERS WHO ARE COUNTY REGISTER OF DEEDS IN THIS STATE.
- 2. ONE MEMBER WHO REPRESENTS AN ASSOCIATION OF TITLE COMPANIES.
- 3. ONE MEMBER WHO REPRESENTS AN ASSOCIATION OF MORTGAGE BANKERS.
- 4. ONE MEMBER WHO REPRESENTS REAL PROPERTY LAWYERS. practice real proplant
- B. THE ELECTRONIC RECORDING COMMISSION SHALL ADOPT (AND AMEND, IF NECESSARY) STANDARDS TO IMPLEMENT THIS ARTICLE, AFTER REVIEWING REAL PROPERTY AND RECORDING LAWS IN THIS STATE, THE ELECTRONIC RECORDING COMMISSION SHALL RECOMMEND TO THE LEGISLATURE WHAT LAWS, IF ANY, NEED TO BE MODIFIED AND WHAT THE MODIFICATIONS SHOULD BE.

C. TO KEEP THE STANDARDS AND PRACTICES OF COUNTY RECORDERS IN THIS STATE COMPATIBLE WITH THE STANDARDS AND PRACTICES OF RECORDING OFFICES IN OTHER JURISDICTIONS THAT ENACT A SUBSTANTIVE EQUIVALENT TO THIS ARTICLE, THE ELECTRONIC RECORDING COMMISSION SO FAR AS IS CONSISTENT WITH THIS ARTICLE, WHEN ADOPTING OR AMENDING STANDARDS SHALL CONSIDER ALL OF THE FOLLOWING:

- 1. STANDARDS AND PRACTICES OF OTHER JURISDICTIONS.
- 2. THE MOST RECENT STANDARDS ADOPTED BY NATIONAL STANDARD SETTING BODIES, SUCH AS THE PROPERTY RECORDS INDUSTRY ASSOCIATION.
- 3. THE VIEWS OF INTERESTED PERSONS AND GOVERNMENTAL OFFICIALS AND ENTITIES.
- 4. THE NEEDS OF COUNTIES OF VARYING SIZES, POPULATIONS AND RESOURCES AND THE NEED FOR SECURITY PROTECTION TO ENSURE THAT ELECTRONIC DOCUMENTS ARE ACCURATE, AUTHENTIC, ADEQUATELY PRESERVED AND RESISTANT TO TAMPERING.

Kahler, Pam

From:

Tuschen, Terry

Sent:

Monday, January 09, 2006 8:37 AM

To:

Kahler, Pam

Cc:

Tuschen, Terry

Subject:

FW:

Attachments: Comments on Wisconsin URPERA Legislation.doc

Hi Pam, here is some follow up comments re:LRB 3695-P2. Let me know what you think. Thanks again,

Terry

From: Williquette_CA [mailto:Williquette_CA@co.brown.wi.us]

Sent: Friday, January 06, 2006 3:05 PM

To: Tuschen, Terry **Cc:** Lemke Marvel

Subject:

Terry,

Marvel Lemke and I reviewed the comments from the drafting attorney and offer the following comments. They are detailed in blue font on the attached.

Thank you for all your help and we look forward to the bill being circulated for co-sponsors.

Cathy Williquette
Brown County Register of Deeds
P.O. Box 23600
Green Bay, WI 54305-3600
920.448.4469 Voice
920.448.4449 Fax
williquette_ca@co.brown.wi.us

Comments on Wisconsin URPERA Legislation

Page 1, Line 6 – delete "satisfies all of the following", insert "is"

Page 1, Line 7 – delete "The information is"

Page 1, Line 8 - insert "; and" at the end of the line

Page 1, Line 9 – delete "The information is"

The four changes above are actually how the uniform act was phrased, but that phrasing is inconsistent with Wisconsin drafting format. The substance is not changed when Wisconsin drafting format is used.

Page 2, Line 3 – insert "document" after Electronic

I do not understand this suggestion. This is how the line already appears. Line 1 defines "electronic" (the process) and line 3 defines "electronic document" (product transmitted by the process). If you do not add the word document you have two differing definitions for the same word.

Page 2, Between Line 7 and Line 8-NEW "Paper Document" means a document that is received by the register of deeds in a form that is not electronic

I have no problem with placing this definition in the suggested location. The uniform act placed it in sub (3) because that is the only part of the act in which the phrase "paper document" is used, but it can just as logically be placed with the rest of the definitions in sub. (1).

Page 3, Lines 3 & 4 – delete entire current subsection (a); insert "definition" after Recording of Documents

If the definition of "paper document" is moved to sub. (1), par. (a) would be deleted, as suggested. I don't understand, however, why it is suggested that the word "definition" be added. Sorry for the confusion – we are asking to move par. (a) to definitions on page 1 therefore eliminating par. (a) in entirety. Also, suggest moving "register of deeds' down to begin sentence following therefore that line now becomes (a) versus (b)(1). We are not asking for the word "definition" to be added.

Page 3, Line 5 – delete (b) insert "A County Register of Deeds"

The only registers of deeds are county registers of deeds, so the addition of the word "county" is redundant. The statutes contain nine instances in which "county" appears before "register of deeds" and 464 instances in which "county" does not appear before "register of deeds." Agree

Page 3, Line 6 – delete (1) insert "(a) Who

Page 3, Line 9 – delete (2) insert "(b) May receive

Page 3, Line 10 - delete (3) insert "(c) May provide....

Page 3, Line 12 – delete (4) insert "(d) Who accepts

Page 3, Line 15 – delete (5) insert "(e) May convert....

Page 3, Line 16 – delete (6) insert "(f) May convert

Page 3, Line 18 - delete (h) insert "(g) May accept....

Page 3, Line 20 – delete (h) insert "(h) May agree.....

If the definition of "paper document" is moved to sub. (1), the eight statutory units above would, indeed become paragraphs (with letters) instead of subdivisions (with numbers).

Page 4, Line 1 – insert

A. AN ELECTRONIC RECORDING COMMISSION IS ESTABLISHED CONSISTING OF SEVEN MEMBERS WHO ARE APPOINTED BY THE GOVERNOR. THE MEMBERSHIP SHALL CONSIST OF:

- 1. FOUR MEMBERS WHO ARE COUNTY REGISTER OF DEEDS IN THIS STATE.
- 2. ONE MEMBER WHO REPRESENTS AN ASSOCIATION OF TITLE COMPANIES.
- 3. ONE MEMBER WHO REPRESENTS AN ASSOCIATION OF MORTGAGE BANKERS.
- 4. ONE MEMBER WHO REPRESENTS REAL PROPERTY LAWYERS.
- B. THE ELECTRONIC RECORDING COMMISSION SHALL ADOPT AND AMEND, IF NECESSARY, STANDARDS TO IMPLEMENT THIS ARTICLE. AFTER REVIEWING REAL PROPERTY AND RECORDING LAWS IN THIS STATE, THE ELECTRONIC RECORDING COMMISSION SHALL RECOMMEND TO THE LEGISLATURE WHAT LAWS, IF ANY, NEED TO BE MODIFIED AND WHAT THE MODIFICATIONS SHOULD BE.
- C. TO KEEP THE STANDARDS AND PRACTICES OF COUNTY RECORDERS IN THIS STATE COMPATIBLE WITH THE STANDARDS AND PRACTICES OF RECORDING OFFICES IN OTHER JURISDICTIONS THAT ENACT A SUBSTANTIVE EQUIVALENT TO THIS ARTICLE, THE ELECTRONIC RECORDING COMMISSION SO FAR AS IS CONSISTENT WITH THIS ARTICLE, WHEN ADOPTING OR AMENDING STANDARDS SHALL CONSIDER ALL OF THE FOLLOWING:
- 1. STANDARDS AND PRACTICES OF OTHER JURISDICTIONS.
- 2. THE MOST RECENT STANDARDS ADOPTED BY NATIONAL STANDARD SETTING BODIES, SUCH AS THE PROPERTY RECORDS INDUSTRY ASSOCIATION.
- 3. THE VIEWS OF INTERESTED PERSONS AND GOVERNMENTAL OFFICIALS AND ENTITIES.
- 4. THE NEEDS OF COUNTIES OF VARYING SIZES, POPULATIONS AND RESOURCES AND THE NEED FOR SECURITY PROTECTION TO ENSURE THAT ELECTRONIC DOCUMENTS ARE ACCURATE, AUTHENTIC, ADEQUATELY PRESERVED AND RESISTANT TO TAMPERING.

See the definition of "commission" in s. 15.01 (2). In which department should this commission be created? Department of Administration



State of Misconsin 2005 - 2006 LEGISLATURE

LRB-3695/P2

PJK:lmk:jf

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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and creating an electronic and creating commission recording commission

AN ACT to create 706.25 of the statutes; relating to: the Uniform Real Property

Electronic Recording Act

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 706.25 of the statutes is created to read:

706.25 Uniform real property electronic recording act. (1) Definitions.

- 5 In this section:
 - (a) "Document" means information that satisfies all of the following:
 - 1. The information is inscribed on a tangible medium or it is stored in an electronic or other medium and is retrievable in perceivable form.
- 9 2. The information is eligible to be recorded in the land records maintained by the register of deeds.

Suzot 1-3

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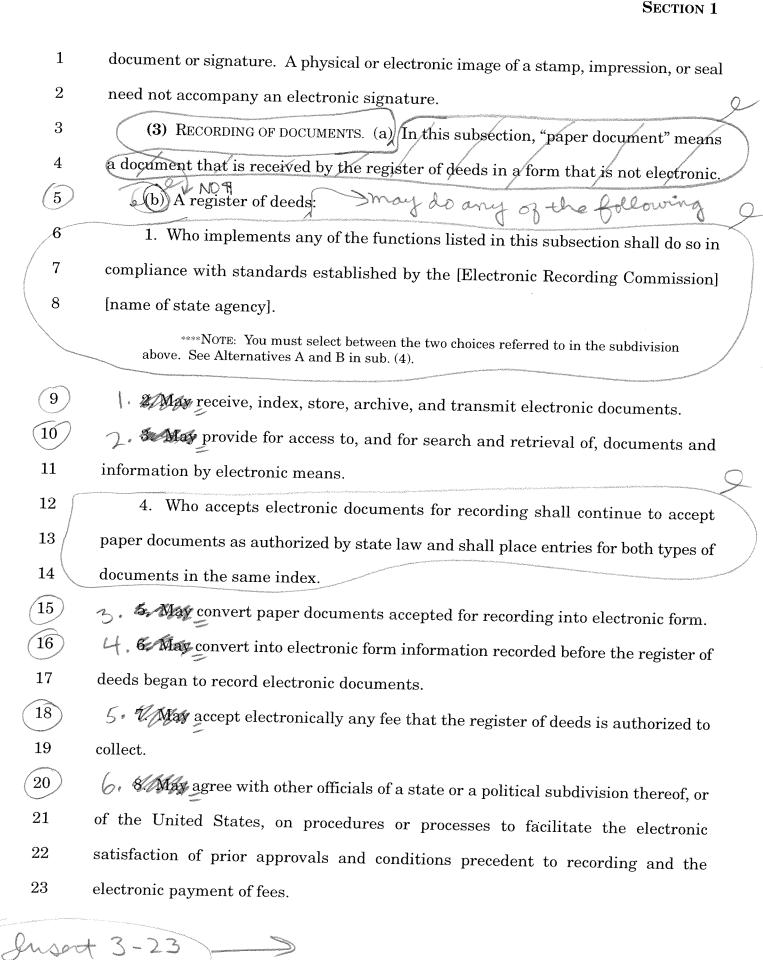
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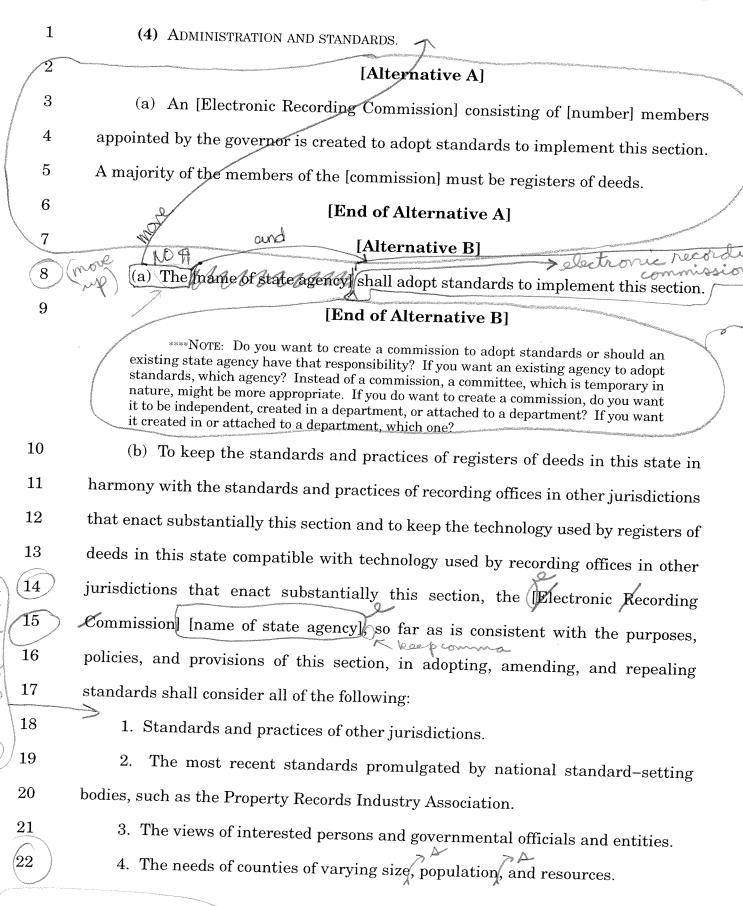
24

W	SECTION 1
1	(b) "Electronic" means relating to technology having electrical, digital,
2	magnetic, wireless, optical, electromagnetic, or similar capabilities.
3	(c) "Electronic document" means a document that is received by the register of
4	deeds in an electronic form.
5	(d) "Electronic signature" means an electronic sound, symbol, or process
6	attached to or logically associated with a document and executed or adopted by a
3/7	person with the intent to sign the document.
3 8	(Person" means an individual, corporation, business trust, estate, trust,
9	partnership, limited liability company, association, joint venture, public corporation,
10	government, or governmental subdivision, agency, or instrumentality, or any other
11	legal or commercial entity.
(12)	"State" means a state of the United States, the District of Columbia, Puerto
13	Rico, the United States Virgin Islands, or any territory or insular possession subject
14	to the jurisdiction of the United States. UPS: PIS NEMOVE. "A" in electron
15	(2) VALIDITY OF ELECTRONIC DOCUMENTS. (a) If a law requires, as a condition for
16	recording, that a document be an original, be on paper or another tangible medium,
17	or be in writing, the requirement is satisfied by an electronic document satisfying
18	this section.
19	(b) If a law requires, as a condition for recording, that a document be signed,
20	the requirement is satisfied by an electronic signature.
21	(c) A requirement that a document or a signature associated with a document
22	be notarized, acknowledged, verified, witnessed, or made under oath is satisfied if
23	the electronic signature of the person authorized to perform that act, and all other

information required to be included, is attached to or logically associated with the



Insert 4-22



1	(5) UNIFORMITY OF APPLICATION AND CONSTRUCTION. In applying and construing
2	this section, consideration must be given to the need to promote uniformity of the law
3	with respect to its subject matter among states that enact it.
4	(6) RELATION TO ELECTRONIC SIGNATURES IN CLORAL AND MATIONAL GOLD
5	(a) Except as provided in par. (b), this section modifies, limits, and supersedes the
6	federal Electronic Signatures in Global and National Commerce Act, 15 USC 7001
7	et seq. ; but remove from electronic copy Tinsert this into electronic copy
8	(b) This section does not modify, limit, or supersede 15 USC 7001 (c) or
9	authorize electronic delivery of any of the notices described in 15 USC 7003 (b).
10	(7) SHORT TITLE. This section may be cited as the Uniform Real Property
11 ~~^^	Electronic Recording Act.
12	(END)

Suset 5-11

J. Je

2005–2006 DRAFTING INSERT FROM THE LEGISLATIVE REFERENCE BUREAU

INSERT 1-3

]	Section 1. 15.01 (2) of the statutes, as affected by 2005 Wisconsin Act 25, is
2	amended to read:
3	15.01 (2) "Commission" means a 3-member governing body in charge of a
4	department or independent agency or of a division or other subunit within a
5	department, except for the Wisconsin waterways commission which shall consist of
6	5 members, the electronic recording commission which shall consist of 7 members,
7	and the parole commission which shall consist of 8 members. A Wisconsin group
8	created for participation in a continuing interstate body, or the interstate body itself,
9	shall be known as a "commission", but is not a commission for purposes of s. 15.06.
10	The parole commission created under s. 15.145 (1) shall be known as a "commission",
11	but is not a commission for purposes of s. 15.06. The sentencing commission created
12	under s. 15.105 (27) shall be known as a "commission" but is not a commission for
13	purposes of s. 15.06 (1) to (4m), (7), and (9).
14	History: 1977 c. 29, 274; 1979 c. 34; 1983 a. 27, 189, 371, 410, 538; 1985 a. 29, 120, 180; 1987 s. 27, 342, 399; 1989 a. 31, 107, 202; 1991 a. 39, 269, 315; 1993 a. 16, 107, 210, 215; 1995 a. 27 ss. 74 and 9145 (1); 1995 a. 442, 462; 1997 a. 27, 237; 2001 a. 16, 105, 109; 2005 a. 25. SECTION 2. 15.06 (3) (a) 2. of the statutes is created to read:
15	15.06 (3) (a) 2. The members of the electronic recording commission.
16	SECTION 3. 15.105 (6) of the statutes is created to read:
17	15.105 (6) Electronic recording commission. (a) There is created an
18	electronic recording commission which is attached to the department of
19	administration under s. 15.03.
20	(b) The commission shall be composed of the following members:
21	1. Four members who are registers of deeds in this state.
22	2. One member who represents an association of title insurance companies.
23	3. One member who represents an association of mortgage bankers.

1	4. One member who represents attorneys who practice real property law.
2	(c) No member of the commission may receive any salary for services performed
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4	and necessary expenses incurred while performing official duties. \lor
	(END OF INSERT 1-3)
5	SECTION 4. 706.01 (4) of the statutes is amended to read:
6	706.01 (4) "Conveyance" means a written instrument, evidencing a transaction
7	governed by this chapter, that satisfies the requirements of s. 706.02, subject to s.
8	706.25. (and of insert 1-3)
	History: 1971 c. 41; 1977 c. 253; 1983 a. 189, 455; 1993 a. 486; 1995 a. 227; 1999 a. 85; 2005 a. 41. INSERT 2-4
	****Note: I have not changed this definition. I did not understand the instruction to add "document" after "electronic."/ In my copy of the draft, "document" already follows "electronic."/The explanation that if "document" is not added after "electronic" there would be two definitions for the same word did not make sense to me. Paragraph (b) defines "electronic" and par. (c) defines "electronic document." Am I missing something? (END OF INSERT 2-4)
	Insert 2-7
9	(e) "Paper document" means a document that is received by the register of
10	deeds in a form that is not electronic. \checkmark
	(END OF INSERT 2-7)
	Insert 3-23
11	(b) A register of deeds who accepts electronic documents for recording shall
12	continue to accept paper documents as authorized by state law and shall place
13	entries for both types of documents in the same index.
14	(c) A register of deeds who performs any of the functions specifed in this
15	subsection shall do so in compliance with standards established by the electronic
16	recording commission. $\sqrt{}$

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****Note: I have changed the format of sub. (3) above so that it is consistent with Wisconsin drafting format. I did not do so in the previous version because the "fix" was not simple and straightforward and I wanted to get a first version out to you quickly.

(END OF INSERT 3-23)

INSERT 4-17

****Note: I have not changed the language of the the introductory paragraph above. It includes everything that was included in the uniform act. Should anything be changed? \checkmark

(END OF INSERT 4-17)

INSERT 4-22

5. The need for security protection to ensure that electronic documents are accurate, authentic, adequately preserved, and resistant to tampering.

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(c) The electronic recording commission shall review the statutes related to real property and the statutes related to recording real property documents and shall recommend to the legislature any changes in the statutes that the commission finds necessary or advisable. \checkmark

(END OF INSERT 4-22)

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3695/P3dn PJK:lmk:pg

lmk

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This is still a preliminary draft since many changes were made and new language was added.

See s. 15.06 for provisions in current law that apply to the electronic recording commission. I made the commission "attached" to DOA instead of "in" DOA because I assumed that you would want the commission to operate independently instead of under the direction of the secretary of administration.

Are you or the registers of deeds you are working with aware of any current statutes that might conflict with this uniform act? \checkmark

I did not provide an initial applicability. I do not know what the current practice is with regard to recording electronic documents. Perhaps practices differ in different counties. If an initial applicability is included, such as making the act first apply to documents received for recording or recorded on the effective date, any electronic documents already recorded may be considered invalid or not properly recorded.

Pamela J. Kahler Senior Legislative Attorney Phone: (608) 266–2682

E-mail: pam.kahler@legis.state.wi.us

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3695/P3dn PJK:lmk:rs

January 13, 2006

This is still a preliminary draft since many changes were made and new language was added.

See s. 15.06 for provisions in current law that apply to the electronic recording commission. I made the commission "attached" to DOA instead of "in" DOA because I assumed that you would want the commission to operate independently instead of under the direction of the secretary of administration.

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I did not provide an initial applicability. I do not know what the current practice is with regard to recording electronic documents. Perhaps practices differ in different counties. If an initial applicability is included, such as making the act first apply to documents received for recording or recorded on the effective date, any electronic documents already recorded may be considered invalid or not properly recorded.

Pamela J. Kahler Senior Legislative Attorney Phone: (608) 266–2682

E-mail: pam.kahler@legis.state.wi.us

Kahler, Pam

From:

Tuschen, Terry

Sent:

Wednesday, January 25, 2006 8:54 AM

To:

Kahler, Pam

Cc:

Tuschen, Terry

Subject:

FW: Comments on LRB 05-3695/P3

Attachments: URPERA Draft Comments.doc

Hi Pam, here are the latest comments from the Registers of Deeds. After you review and decide one way or another, I'm cutting them off and telling them the bills going to be circulated as is. If something needs correcting later, we can do that. Or wait for Law Revision to handle it. I'm losing my patience with them. I do appreciate your patience in working with me through this.

Thanks, Terry

From: Williquette_CA [mailto:Williquette_CA@co.brown.wi.us]

Sent: Tuesday, January 24, 2006 2:40 PM

To: Tuschen, Terry

Subject: Comments on LRB 05-3695/P3

Terry I am attaching our comments on the latest draft of LRB 05-3695/P3. As to the comment about Register of Deeds membership in the proposed commission, page 2, line 14, our main goal is to have the flexibility to allow at least one retired Register of Deeds to serve. The wording we submit is only a suggestion and certainly can be modified.

Cathy Williquette Brown County Register of Deeds P.O. Box 23600 Green Bay, WI 54305-3600 920.448.4469 Voice 920.448.4449 Fax williquette_ca@co.brown.wi.us

LRB 05-3695/P3 UNIFORM REAL PROPERTY ELECTRONIC RECORDING ACT

COMMENTS FROM WISCONSIN REGISTER OF DEEDS ASSOCIATION

On page 2, in line 14, substitute: "Four members who are register of deeds in this state, or three members who are register of deeds in this state and one member who formerly served as a register of deeds for at least 5 years."

"Attached to DOA" is preferred. What i how in droffet

URPERA works hand in glove with UETA, Uniform Electronic Transmissions Act. UETA wit in stats

Initial applicability should be one month after signing and messaged. Applicability only sets up the commission; it does not establish standards and the bill calls for consideration Lo Dou of local resources in addition to setting standards to promote electronic transfers and security. Any electronic documents already recorded will not be considered invalid there are statutes in place to guard against this and the commission (because of its composition) will be very sensitive to any "retroactive" moves.

If legislation is adopted and the commission is formed does DOA then pay for the reimbursable expenses? If yes, and this is a point that would hold up getting this passed we'd support removing the reimbursement provision.

There may be some circularity between the definition (page 1, line 9) of "document" which specifies that a "document" must already be eligible for recording to qualify as a "document" and the provisions of Section 2 beginning at page 2 line 15 which sets out to declare that electronic submissions are eligible for recording. It seems the intent of the definition at page 1, line 9, is to import format-type requirements from existing laws. Maybe that should be specified.

1-26 called TerryT.

advised to change commission to council

he agreed and specified 2-yr terms



State of Misconsin 2005 - 2006 LEGISLATURE

LRB-3695/P8
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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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1 AN ACT to amend 15.01 (2) and 706.01 (4); and to create 15.06 (3) (a) 2., 15.105

(6) and 706.25 of the statutes; relating to: the Uniform Real Property

Electronic Recording Act and creating an electronic recording commission.

Inset A

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Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 15.01 (2) of the statutes, as affected by 2005 Wisconsin Act 25, is amended to read:

15.01 (2) "Commission" means a 3-member governing body in charge of a department or independent agency or of a division or other subunit within a department, except for the Wisconsin waterways commission which shall consist of 5 members, the electronic recording commission which shall consist of 7 members, and the parole commission which shall consist of 8 members. A Wisconsin group

706.01 (4) "Conveyance" means a written instrument, evidencing a transaction

governed by this chapter, that satisfies the requirements of s. 706.02, subject to s.

25 Section 5. 706.25 of the statutes is created to read:

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706.25.

1	706.25 Uniform real property electronic recording act. (1) DEFINITIONS.
2	In this section:
3	(a) "Document" means information that satisfies all of the following:
4	1. The information is inscribed on a tangible medium or it is stored in an
5	electronic or other medium and is retrievable in perceivable form.
6	2. The information is eligible to be recorded in the land records maintained by
7	the register of deeds.
8	(b) "Electronic" means relating to technology having electrical, digital,
9	magnetic, wireless, optical, electromagnetic, or similar capabilities.
10	(c) "Electronic document" means a document that is received by the register of
11	deeds in an electronic form.
12	(d) "Electronic signature" means an electronic sound, symbol, or process
13	attached to or logically associated with a document and executed or adopted by a
14	person with the intent to sign the document.
15	(e) "Paper document" means a document that is received by the register of
16	deeds in a form that is not electronic.
17	(f) "Person" means an individual, corporation, business trust, estate, trust,
18	partnership, limited liability company, association, joint venture, public corporation,
19	government, or governmental subdivision, agency, or instrumentality, or any other
20	legal or commercial entity.
21	(g) "State" means a state of the United States, the District of Columbia, Puerto
22	Rico, the United States Virgin Islands, or any territory or insular possession subject
23	to the jurisdiction of the United States.
24	(2) VALIDITY OF ELECTRONIC DOCUMENTS. (a) If a law requires, as a condition for
25	recording, that a document be an original, be on paper or another tangible medium,

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- or be in writing, the requirement is satisfied by an electronic document satisfying this section.
 - (b) If a law requires, as a condition for recording, that a document be signed, the requirement is satisfied by an electronic signature.
 - (c) A requirement that a document or a signature associated with a document be notarized, acknowledged, verified, witnessed, or made under oath is satisfied if the electronic signature of the person authorized to perform that act, and all other information required to be included, is attached to or logically associated with the document or signature. A physical or electronic image of a stamp, impression, or seal need not accompany an electronic signature.
 - (3) RECORDING OF DOCUMENTS. (a) A register of deeds may do any of the following:
 - 1. Receive, index, store, archive, and transmit electronic documents.
 - 2. Provide for access to, and for search and retrieval of, documents and information by electronic means.
 - 3. Convert paper documents accepted for recording into electronic form.
 - 4. Convert into electronic form information recorded before the register of deeds began to record electronic documents.
 - 5. Accept electronically any fee that the register of deeds is authorized to collect.
- 6. Agree with other officials of a state or a political subdivision thereof, or of the United States, on procedures or processes to facilitate the electronic satisfaction of prior approvals and conditions precedent to recording and the electronic payment of fees.

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(b) A register of deeds who accepts electronic documents for recording shall 1 continue to accept paper documents as authorized by state law and shall place 2 3 entries for both types of documents in the same index. (c) A register of deeds who performs any of the functions specified in this 4 subsection shall do so in compliance with standards established by the electronic 5 > council and promulgated by rule 6 recording commission. ****NOTE: I have changed the format of sub. (3,) above, so that it is consistent with Wisconsin drafting format. I did not do so in the previous version because the "fix" was not simple and straightforward and I wanted to get a first version out to you quickly. 7 couri (4) Administration and standards. (a) The electronic recording commission shall adopt standards to implement this section. 8 9 (b) To keep the standards and practices of registers of deeds in this state in harmony with the standards and practices of recording offices in other jurisdictions 10 that enact substantially this section and to keep the technology used by registers of 11 12 deeds in this state compatible with technology used by recording offices in other jurisdictions that enact substantially this section, the electronic recording 13 commission, so far as is consistent with the purposes, policies, and provisions of this 14 section, in adopting, amending, and repealing standards shall consider all of the 15 16 following: ****Note: I have not changed the language of the introductory paragraph above. It includes everything that was included in the uniform act. Should anything be changed? 17 1. Standards and practices of other jurisdictions. 18 The most recent standards promulgated by national standard-setting bodies, such as the Property Records Industry Association. 19 3. The views of interested persons and governmental officials and entities. 20

4. The needs of counties of varying sizes, populations, and resources.

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5. The need for security protection to ensure that electronic documents are 1 2 accurate, authentic, adequately preserved, and resistant to tampering. 3 (c) The electronic recording commission shall review the statutes related to real property and the statutes related to recording real property documents and shall 4 recommend to the legislature any changes in the statutes that the commission finds 5 6 necessary or advisable. (5) Uniformity of Application and Construction. In applying and construing 7 this section, consideration must be given to the need to promote uniformity of the law 8 with respect to its subject matter among states that enact it. 9 (6) RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. 10 (a) Except as provided in par. (b), this section modifies, limits, and supersedes the 11 federal Electronic Signatures in Global and National Commerce Act, 15 USC 7001, 12 13 et seq. 14 This section does not modify, limit, or supersede 15 USC 7001 (c) or authorize electronic delivery of any of the notices described in 15 USC 7003 (b). 15 16 SHORT TITLE. This section may be cited as the Uniform Real Property 17 Electronic Recording Act. 18 (END) with the

2005-2006 DRAFTING INSERT FROM THE LEGISLATIVE REFERENCE BUREAU

INSERT A

This bill is the Uniform Real Property Electronic Recording Act (URPERA). URPERA provides that: a) if a statute requires a document to be an original, on paper or another tangible medium, or in writing as a condition for recording in the office of the register of deeds, an electronic document satisfies those requirements; b) if a statute requires a document to be signed as a condition for recording, an electronic signature satisfies that requirement; and c) if a document or signature must be notarized, acknowledged, verified, witnessed, or made under oath, the electronic signature of a person authorized to perform that act attached to or associated with the document or signature satisfies that requirement.

URPERA authorizes a register of deeds to perform various functions with respect to the recording of electronic documents, including: receiving, indexing, and storing electronic documents; providing access to documents and information by electronic means; converting paper documents accepted for recording into electronic format; and accepting fees electronically. URPERA also requires a register of deeds who accepts electronic documents for recording to continue to accept paper

documents. \checkmark

The bill creates the Electronic Recording Council (council), attached to the Department of Administration (DOA). The council has seven members who are nominated for two-year terms by the governor and appointed with the advice and consent of the senate. The members consist of four current or former registers of deeds, one member who represents an association of title insurance companies, one member who represents an association of mortgage bankers, and one member who represents attorneys who practice real property law. The council must develop standards for implementing URPERA after considering various specified factors, such as standards and practices of other jurisdictions, standards promulgated by the Property Records Industry Association, and the views of government officials. DOA must promulgate the standards by rule. In addition, the council must review the statutes relating to real property and to recording real property documents and recommend to the legislature any changes that are necessary or advisable.

> (END OF INSERT A)

INSERT 2-8

SECTION 1. 15.01 (4) of the statutes, as affected by 2005 Wisconsin Act 25, is 1 2 amended to read: 15.01 (4) "Council" means a part-time body appointed to function on a 3 continuing basis for the study, and recommendation of solutions and policy 4 alternatives, of the problems arising in a specified functional area of state 5

three

-2-Ins 2-8 contd

government, except the Milwaukee River revitalization council has the powers and 1 duties specified in s. 23.18, the council on physical disabilities has the powers and 2 duties specified in s. 46.29 (1) and (2), and the state council on alcohol and other drug 3 abuse has the powers and duties specified in s. 14.24, and the electronic recording 4 council has the powers and duties specified in s. 706.25 (4). 5

History: 1977 c. 29, 274; 1979 c. 34; 1983 a. 27, 189, 371, 410, 538; 1985 a. 29, 120, 180; 1987 s. 27, 342, 399; 1989 a. 31, 107, 202; 1991 a. 39, 269, 315; 1993 a. 16, 107, 210, 215; 1995 a. 27 ss. 74 and 9145 (1); 1995 a. 442, 462; 1997 a. 27, 237; 2001 a. 16, 105, 109; 2005 a. 25.

(END OF INSERT 2-8)

INSERT 2-14

except that one or more members under this subdivision may be persons who 6 are not currently registers of deeds but who held that office for at least 5 years 7 (END OF INSERT 2-14)

INSERT 5-8

The department of administration shall promulgate by rule the standards 8 adopted, amended, or repealed by the council under this paragraph. \checkmark 9

(END OF INSERT 5-8)

INSERT 6-17

Section 2. Nonstatutory provisions. 10 (1) Initial terms. Notwithstanding the length of terms of the members of the 11 electronic recording council specified in section 15.107 (6) (b) (intro.) of the statutes, 12 as created by this act, the initial members shall be appointed for the following terms: 13 (a) Three members for terms that expire on July 1, 2007. 14 (b) Four members for terms that expire on July 1, 2009/ 15

(END OF INSERT 6-17)

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3695/1dn PJK:lmk:fs

(date)

The "commission" was changed to a "council" because that type of part–time entity was more appropriate for the duties of the entity created in this bill. See s. 15.01 (4) for a definition of "council" and s. 15.09 for the provisions that apply to all councils.

The effective date is not delayed because the council members will not be appointed immediately anyway. Getting the council up and running will take some time.

I did not change the language regarding the definition of "document." The language referred to was directly from the uniform act.

Finally, the four members on the council who are registers of deeds was modified to allow one or more (even all, if necessary) to be former registers of deeds, as long as they held that office for at least five years. That way, a former register of deeds may be appointed or a register of deeds who holds the office when appointed may retain the office for his or her complete two-year term even if he or she is not reelected, for one reason or another, during his or her term on the council, as long as he or she held the office for the requisite time.

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I made The terms three years long to facilitate stangering.

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3695/1dn PJK:lmk:jf

January 31, 2006

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Basford, Sarah

From:

Sen.Risser

Sent:

To: Cc:

Subject:

Monday, February 06, 2006 2:41 PM LRB.Legal Tuschen, Terry Draft Review: LRB 05-3695/1 Topic: Uniform real property electronic recording act

Please Jacket LRB 05-3695/1 for the SENATE.